

Changes on December 6, 2016

1. Changes to the Neighborhood Parking Permit Program

Amended Section 4-23-2(c) to limit cooperatives to three permits per dwelling unit and amended Section 4-23-3 to limit cooperatives to no more than six two-week guest permits per dwelling unit.

2. Eliminate Reference to Cooperatives in the Use Table

3. Occupancy Limits

Added a new Subsection 9-8-5(d). Imposed a minimum occupancy of four residents with a maximum occupancy of 12 occupants in rural residential, rural estate and residential low density districts and 15 in all other zone districts. This occupancy would apply to all occupants, including children, spouses and other dependents. It counts the total number of occupants, not the total unrelated individuals. Council agreed to include a requirement that there be at least 250 square feet per occupant in low density zone districts and 200 square feet per person in medium and high occupancy districts. Council was unable to reach agreement on other issues. Council asked that staff prepare additional options. There are five options. 1. Lower occupancy limits of 10 and 12. 2. Lower occupancy limits with an adjustment for lot size. 3. Different occupancy limits for different types of cooperatives. 4. Different occupancy limits for different types of cooperatives with an adjustment for lot size. 5. Occupancy limits of 12 and 15 with an adjustment for lot size.

4. Definition of Area Median Income

Defined area median income as having the same meaning as in Title 9.

5. Definition of Expert Cooperative Housing Organization

Defined Expert Cooperative Housing Organization. This is the outside organization that would be responsible for certifying legitimate cooperatives.

6. New Cooperative Definitions

Defined Not-for-profit Permanently Affordable Cooperative, Private Equity Cooperative and Rental Cooperative.

A Not-for-profit Permanently Affordable Cooperative is a cooperative in which owned by a housing focused 501(c)(3) organization.

A Private Equity Cooperative is a cooperative in which at least two-thirds of the adult non-dependent residents own an interest in the property, at least two-thirds of the owners are residents and the owner residents own a majority interest in the property.

A Rental Cooperative is a cooperative in which more than a third of the residents do not have an ownership interest in the property.

7. Legislative Intent

Added additional legislative intent in Section 10-11-1 stating council's intent to monitor the implementation of the ordinance. There is also a new subsection stating council's intent that cooperatives be true cooperatives. Also added a provision clarifying that cooperatives are subject to all other code provisions, including rental licensing requirements, smart regs and the international property maintenance code.

8. Number of Licenses

Added in Section 10-11-3(c) new language that would allow ten total licenses for all three categories. Council expressed a concern that all ten licenses might be used for rental cooperatives. There is therefore an additional provision allowing for up to two additional licenses per year in each category, if ten licenses have been issued and there are less than two licenses issued in a category. The maximum total number of licenses in any one year is fourteen.

9. Separation

Added a new Subsection 10-11-3(d), which provides for separation of five hundred feet between the property boundaries of cooperative housing units. The language includes the following:

The city manager may permit two cooperative housing units to be located closer than five hundred feet apart if they are separated by a physical barrier, including, without limitation, an arterial, a collector, a commercial district or a topographic feature that avoids the need for dispersal

10. Permanent Affordability

Added a new Subsection 10-11-3(e), which requires that any group equity cooperative be permanently affordable. Rents must be permanently affordable to households earning 60% of the area median income.

11. Allowing a Group of Individuals to be licensed

Added a provision allowing an unincorporated group of individuals be permitted to form a cooperative. The provision is in Subsection 10-11-3(f). The subsection also provides that if an applicant is an organization, all owners must be natural persons.

12. House Size Limitation

Added a new Subsection 10-11-3(g) limiting cooperatives to dwelling units with at least 2000 square feet of habitable space. Cooperatives are not permitted in units that have been modified to have more than 2000 square feet of habitable space in the five years preceding the application.

13. Allowable Zone Districts

Added a provision permitting cooperatives in all zone districts except agricultural, industrial and public zone districts. The provision is in Subsection 10-11-3(h).

14. Age Limitation

Added a provision limiting ownership to individuals over 21 years of age. It was not clear if there was council consensus on this issue. The provision is in Subsection 10-11-3(i).

15. Remove the Requirement that Cooperatives get a Rental License

Removed the requirement in Section 10-11-4 for all cooperatives to have rental licenses. Any cooperative that includes a rental would be required to get a rental license.

16. Allowing Existing Cooperatives to Apply

Added a new Subsection 10-11-4(b) allowing any legitimate cooperative existing prior to December 6, 2016 to apply while already in existence.

17. Updates

Added a new requirements that licensees be re-inspected every two years, re-certified every two years and provide notice of any changes within thirty days of licensing information within thirty days. These requirements are in Subsections 10-11-4(b)(1)(A) (renewal-inspection), 10-11-4(b)(1)(E) (recertification) and 10-11-4(d) (changes).

18. Notification

Added a new provision in Subsection 10-11-4(f) requiring neighborhood notification after occupancy.

19. Conditional Licenses

Added a new Subsection 10-11-4(e) that would authorize the city manager to issue a conditional license to a group that has provided a list of individuals with ownership interests and been certified as a legitimate cooperative.

20. Parking

Added a requirement that there be a parking management plan limiting the number of cars to be parked in the public right-of-way to three. Deleted the requirement that the applicant provide a list of all cars associated with the cooperative, including the name of the owner, the make, model and license plate number.

21. Property Rights

Eliminated the use of the word “privilege.”

22. Certification of Legitimate Cooperatives

Added a new Section 10-11-14 establishing requirements for a legitimate cooperative.

23. Eliminate Two Tier structure of Fines

The fines are in Section 10-11-16.

24. Reporting

New section 10-11-18 requires an annual report.